

ABILITY TO PAY
Effective Date: 12/24/90

I. INTRODUCTION

The Department's enabling legislation declares that parents have the primary responsibility for meeting the needs of their children. The Department of Services for Children, Youth and Their Families assists families who have exhausted other resources to obtain its services by limiting their costs to 10 percent of disposable income.

II. PURPOSE

To establish a uniform standard within the Department of Services for Children, Youth and Their Families (DSCYF) for determining the ability to pay for services rendered in accordance with Title 29, Delaware Code Section 7940. All funds collected under this policy are deposited into the State General Fund.

III. DEFINITIONS

- A. The "cost of services rendered" in this policy shall mean the "cost of care" as used in Title 29, Delaware Code Section 7940. The "cost per unit of service" as used in DSCYF Policy 403 shall be an individual unit of service.
- B. "Disposable income" for the determination of ability to pay shall be gross income less taxes paid and less the applicable standard deduction.
- C. The "standard deduction" shall be based on 100% of the poverty level established annually by the U.S. Bureau of Census for the appropriate family size.
- D. A "division" is one of the direct service divisions of DSCYF, which are Child

Protective Services, Child Mental Health Services, and Youth Rehabilitative Services.

- E. A "legally liable individual" is a person who is defined by Title 29, Delaware Code Section 7940 to be responsible for a Departmental client under the age of eighteen (18) years old.
- F. The "annual fee" is the amount that the legally liable individual is required to pay for services rendered by the Department, calculated in accordance with the provisions of Title 29, Delaware Code Section 7940.
- G. The "Appeals Committee" is an intra-departmental group established to hear petitions by legally liable individuals aggrieved by decisions relating to the calculation of liability, the payment of fees, and admission/discharge issues of a financial nature only.
- H. The "Ability to Pay Committee" is an intra-departmental working group established to resolve interpretation issues relating to this policy, and to develop rules and regulations for its implementation.

IV. EXCLUSIONS

This policy is not applicable to persons supported by Medicaid, Aid to Families with Dependent Children (AFDC), or the General Assistance Program of the State of Delaware.

V. APPLICABILITY

- A. This policy is applicable to all those services offered by the Department, unless precluded by law.
- B. This policy applies only to those individuals whose eligibility for service has been previously established by the division providing the service.
- C. It is the expectation of the Department that parents (or other legally liable individuals) shall contribute to the cost of their children's care, based on their ability to pay.

VI. PROCEDURES

Each division will make every effort to assure that legally liable individuals are aware of and understand their financial liability, their right to request an adjustment to their liability and the procedures to appeal the ability to pay determination. The division shall request, before the patient is admitted or treated, a signed written agreement from those individuals liable for the recovery of the full cost of care. In the case of an emergency, the written agreement shall be requested within three working days of the admission or treatment.

The following procedures shall be implemented when a signed written agreement for the recovery of the full cost of services rendered cannot be obtained. Implementation of this procedure is the responsibility of the Office of Billings and Collections, Division of Administration.

- A. DSCYF Ability to Pay Worksheet should be completed by the legally liable individual of the person receiving care, to determine disposable income and the minimum annual fee based on the ability to pay.
- B. The liability will automatically be waived for any legally liable individual with disposable income of less than \$6,000.
- C. The legally liable individual shall be informed in writing of their liability, payment due dates, and appeal procedures.
- D. All other payment agreements in force prior to the implementation of this policy shall be phased-out as the client completes care, or amended with the consent of the legally liable individual.
- E. Upon approval and implementation of this policy, legally liable individuals will not be charged retroactively to the first date of service. For those individuals receiving care from the Department, the full cost of care will be calculated from the effective date of this policy.

VII. APPEALS

Upon implementation of this policy, any legally liable individual aggrieved by any decision with respect to the calculation of liability, or the payment of fees, may appeal by petition in writing to the Appeals Committee, stating the decision being appealed, the facts in support of the appeal, and the relief sought. This appeal must be filed within fifteen (15) days of the date of the event causing the appeal.

- A. The Appeals Committee shall consist of a senior staff member of each of the following divisions appointed by the Office of the Secretary:
 - 1. Child Protective Services
 - 2. Child Mental Health Services
 - 3. Youth Rehabilitative Services
- B. The Appeals Committee shall hold a hearing within thirty (30) days of the date that the appeal is received, and shall render its decision promptly. The Committee's decision shall be final and binding.
- C. The Division of Administration will receive the appeal information, schedule the hearing, and notify the Appeals Committee and the appellant of the date and location of the hearing.
- D. The Appeals Committee will be chaired on a rotating basis with each member of the committee serving as chairperson for a period of three (3) months.
- E. If the appeal is denied, payment is due retroactive to the original decision date.

VIII. COLLECTION

Collection efforts and subsequent procedures shall be in accordance with DSCYF Policy 403.

IX. ADMINISTRATION

- A. A permanent committee called the Ability to Pay Committee shall be assigned to monitor and provide guidelines for the administration of this policy. It will help to resolve implementation and interpretation issues. This Committee will advise the Division of Administration on the operation of the Office of Billings and Collections.
- B. The Ability to Pay Committee shall consist of:
 - 1. One representative each from the Divisions of Child Protective Services; Child Mental Health Services; Youth Rehabilitative Services and Program Support, and
 - 2. One representative from the Division of Administration, who shall serve as Chairperson.

The members shall be appointed by their respective Division Directors.

- C. The Committee shall meet as often as necessary to carry out its assigned responsibilities.

X. EFFECT

- A. This policy shall become effective upon signature of the Secretary.
- B. Any part thereof which is inconsistent with any Federal or State law shall be null and void.